



GAIL FARBER, Director

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331

<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 15, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

32 March 15, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**LOS ANGELES COUNTY WATERWORKS DISTRICT
NO. 36, VAL VERDE, DETACHMENT 36-2, AS PART OF
THE LOCAL AGENCY FORMATION COMMISSION
REORGANIZATION 2013-01, NEGOTIATED TAX EXCHANGE RESOLUTION
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to adopt the Negotiated Property Tax Exchange Joint Resolution associated with the detachment of territory from Los Angeles County Waterworks District No. 36, Val Verde, as part of the Local Agency Formation Commission Reorganization 2013-01.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO.36, VAL VERDE:

1. Find that the adoption of the Negotiated Property Tax Exchange Joint Resolution for Detachment 36-2 and the resulting transfer of the ad valorem tax is for the purpose of meeting the operation, maintenance, and capital project expenses of the Newhall County Water District, and therefore is exempt from the California Environmental Quality Act.

2. Adopt the Joint Resolution approving and accepting the negotiated exchange of property tax revenue resulting from Detachment 36-2, as part of Local Agency Formation Commission Reorganization 2013-01 from Los Angeles County Waterworks District No. 36, Val Verde.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to reapportion the ad valorem tax that is shared by the

affected taxing entities as the result of Detachment 36-2, as part of the Local Agency Formation Commission (LAFCO) Reorganization 2013-01, which includes detaching approximately 84.14± acres of uninhabited territory from Los Angeles County Waterworks District No. 36, Val Verde, and annexing said territory to the Newhall County Water District. The affected territory is generally located in the vicinity of Romero Canyon Road and Canyon Hill Road in the unincorporated County area of Castaic. The construction of the new Castaic High School is proposed at this site. The cost of the water system improvements necessary for the school to connect to the Newhall County Water District is significantly less than the cost to connect to Waterworks District No. 36. This detachment will result in significant cost savings for the William S. Hart Union High School District.

Pursuant to Section 99.01 of the Revenue and Taxation Code, in the case of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency receiving property tax revenue from the area may negotiate an exchange of property tax revenue subject to the jurisdictional change and attributable to those local agencies. The governing bodies of the respective taxing entities in the area have adopted the Joint Resolution based on the negotiated exchange of ad valorem property tax revenue related to the proposed detachment from Waterworks District No. 36. In order for LAFCO of the Los Angeles County to proceed with the required hearings on the proposed annexation, the Board, as the governing body of the County of Los Angeles and as the governing body of Waterworks District No. 36, must also adopt the enclosed Joint Resolution.

The Joint Resolution will transfer the annual property tax increment attributable to the proposed detachment area from Waterworks District No. 36 to the Newhall County Water District according to ratios listed in the table on Page 2, Section 3, of the Joint Resolution. Each of the affected agencies' shares of the annual property tax increment will be adjusted accordingly.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Community Support and Responsiveness (Goal 2) by detaching territory from Waterworks District No. 36 to enable future customers within the detached area to have their water needs provided by another water agency.

FISCAL IMPACT/FINANCING

The property owner requesting the proposed reorganization will pay all required fees associated with this action.

The Joint Resolution will transfer from Waterworks District No. 36 to the Newhall County Water District, the annual property tax increment ratios listed in the table on Page 2, Section 3, of the Joint Resolution, as found in the Fiscal Year 2015-16 Modified Annual Tax Increment Ratio Report from the County of Los Angeles Auditor-Controller. In this instance, the Tax Rate Area involved is Tax Rate Area 16378, and the total tax increment ratio transferred to the Newhall County Water District would be 0.007592740.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service areas or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue

between the affected agencies and approve and accept such reallocation by resolution. For those agencies under the Board's jurisdiction, the Board can act on their behalf. The governing bodies of the respective taxing entities have adopted the Joint Resolution based on the negotiated exchange of property tax revenue related to the proposed detachment from Waterworks District No. 36, as a part of the proposed reorganization.

Adoption of the Joint Resolution by the Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed reorganization. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal. The Joint Resolution has also been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

This action and proposed Joint Resolution is to fund operation and maintenance expenses and capital projects within the existing service area of the Newhall County Water District, and are therefore, statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273(a) of the CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action will not have any negative impact on existing services or planned projects in the Waterworks District.

CONCLUSION

Please return one adopted copy of this letter and one signed original of the Joint Resolution to LAFCO; one adopted copy of this letter and one signed original of the Joint Resolution to the County Assessor; and one adopted copy of this letter and one copy of the Joint Resolution to the Department of Public Works, Waterworks Division.

The Honorable Board of Supervisors

3/15/2016

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Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid, with the first name "Gail" and last name "Farber" clearly legible.

GAIL FARBER

Director

GF:AA:ir

Enclosures

c: Assessor
Auditor-Controller
Chief Executive Office (Rochelle Goff)
County Counsel
Executive Office
Local Agency Formation Commission
Newhall County Water District

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES AND THE BOARD OF DIRECTORS OF THE
NEWHALL COUNTY WATER DISTRICT APPROVING AND ACCEPTING THE
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM
DETACHMENT OF PROPERTY DESIGNATED AS DETACHMENT 36-2, AS PART OF
LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2013-01, FROM
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

WHEREAS, pursuant to Section 99.01 of the Revenue and Taxation Code, in the case of any jurisdictional change that will result in an alteration of a local agency's service area or service responsibility, the special district and each local agency that receives an apportionment of property tax revenue from the area may negotiate an exchange of property tax revenue generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of Los Angeles County Waterworks District No. 36, Val Verde, together with the Board of Directors of the Newhall County Water District, have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the proposed detachment identified as Detachment 36-2, as part of Local Agency Formation Commission Reorganization 2013-01 from Los Angeles County Waterworks District No. 36, Val Verde, is as set forth:

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Los Angeles County Waterworks District No. 36, Val Verde, and the Newhall County Water District have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the proposed detachment identified as Detachment 36-2, as part of LAFCO Reorganization 2013-01 is approved and accepted.
2. For fiscal years commencing on or after July 1, 2016, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue received by Los Angeles County Waterworks District No. 36, Val Verde, attributable to Detachment 36-2, as part of LAFCO Reorganization 2013-01, shall be transferred to the Newhall County Water District, and the Los Angeles County Waterworks District No. 36, Val Verde, share in the detachment area shall be reduced to zero.

- | | |
|---------------|---|
| Tax Rate Area | Annual Tax Increment Ratio Transfer to
Newhall County Water District |
| 16378 | 0.007592740 |

- [illegible]

The foregoing Resolution was adopted on the 15th day of March, 2016, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks District No. 36, Val Verde.



LORI GLASGOW
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By Carla Little
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By [Signature]
Deputy

RESOLUTION NO. 2016-3

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES AND THE BOARD OF DIRECTORS OF THE
NEWHALL COUNTY WATER DISTRICT APPROVING AND ACCEPTING THE
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM
DETACHMENT OF PROPERTY DESIGNATED AS DETACHMENT 36-2, AS PART OF
LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2013-01, FROM
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

WHEREAS, pursuant to Section 99.01 of the Revenue and Taxation Code, in the case of any jurisdictional change that will result in an alteration of a local agency's service area or service responsibility, the special district and each local agency that receives an apportionment of property tax revenue from the area may negotiate an exchange of property tax revenue generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of Los Angeles County Waterworks District No. 36, Val Verde, together with the Board of Directors of the Newhall County Water District, have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the proposed detachment identified as Detachment 36-2, as part of Local Agency Formation Commission Reorganization 2013-01 from Los Angeles County Waterworks District No. 36, Val Verde, is as set forth:

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- | | |
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Newhall County Water District |
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- [illegible]

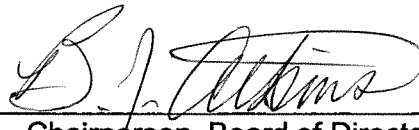
PASSED, APPROVED, AND ADOPTED this 14 day of January, 2016, by
the following vote:

AYES: Director Atkins, Colley, Gutzeit, Mortensen, Plambeck

NOES:

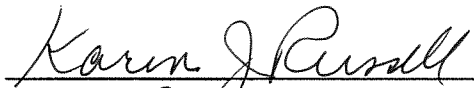
ABSENT:

ABSTAIN:



Chairperson, Board of Directors
Newhall County Water District

ATTEST:


Secretary